

CHAPTER 35-32

AIRCRAFT REPAIR AND MAINTENANCE LIEN

35-32-01. Aircraft repair and maintenance lien authorized. Any person who repairs or performs maintenance work on an aircraft has a lien on the aircraft for:

1. The amount due under a contract for the repairs or maintenance work; or
2. If no amount is specified by contract, the reasonable and usual compensation for the repairs or maintenance work.

35-32-02. Possession of aircraft.

1. A holder of a lien under this chapter may retain possession of the aircraft subject to the lien until the amount due is paid.
2. Except as provided in subsection 3, if the holder of a lien under this chapter relinquishes possession of the aircraft before the amount due is paid, that person may retake possession of the aircraft as provided by section 41-09-106.
3. The holder of a lien under this chapter may not retake possession of the aircraft from a bona fide purchaser for value who, before the date the lien is recorded under section 35-32-03, purchases the aircraft without knowledge of the lien.

35-32-03. Recording of lien. The holder of a lien under this chapter may record the lien on the aircraft by filing with the federal aviation administration aircraft registry not later than the ninetieth day after the date of performance of the last repair or maintenance a verified document in the form and manner required by applicable federal laws and regulations. The document must include:

1. The name, address, and telephone number of the holder of the lien under this chapter.
2. The amount due for repairs or maintenance.
3. A complete description of the aircraft.
4. The name and address of the owner of the aircraft and the number assigned the aircraft by the federal aviation administration, if known.

35-32-04. Notice to owner and lienholders.

1. The holder of a lien under this chapter who retains possession of the aircraft shall notify the owner shown on the certificate of registration and each holder of a lien on the aircraft as shown on the records maintained for that purpose by the federal aviation administration aircraft registry not later than the thirtieth day after the date or performance of the last repair or maintenance. This notice must include:
 - a. The name, address, and telephone number of the holder of the lien under this chapter.
 - b. The amount due for repairs or maintenance.
 - c. A complete description of the aircraft.
 - d. A statement describing the legal right of the holder of the lien under this chapter to sell the aircraft at public auction and apply the proceeds to the amount due.

2. The notice must be delivered by registered mail.

35-32-05. Sale of aircraft authorized. If the holder of a lien under this chapter provides the notice required by section 35-32-04 and the amount due remains unpaid after the sixtieth day after the date of performance of the last repair or maintenance, the holder of the lien may sell the aircraft at a public sale if the court finds that the amount due is the amount specified by contract or the reasonable and usual compensation for the repairs or maintenance work performed and the holder may then apply the proceeds to the amount due. The lienholder shall pay any excess proceeds to the person entitled to them.

35-32-06. Attorney's fees. The court in a suit brought under this chapter may award reasonable attorney's fees to the prevailing party.